

ABOUT THIS BUDGET PAPER

Purpose and scope

Budget Paper No. 1 *Budget Statement* provides information on the State finances in aggregate. The objectives of this paper are to:

- inform citizens of the State's fiscal position and the Government's fiscal strategy
- meet requirements under the *Government Sector Finance Act 2018*, which prescribes the content of the budget papers, including providing four-year projections of all major economic and financial variables, revised estimates for the preceding budget year and explanations of any significant variations
- meet requirements under s.8 of *the Fiscal Responsibility Act 2012*, including providing a statement of the Government's fiscal strategy, a report on performance against the fiscal objectives, targets and principles contained in the Act and an assessment of the impact of any budget measures on the State's long-term fiscal gap
- enable interstate comparisons by reporting in line with the Australian Bureau of Statistics Government Finance Statistics framework.

The scope of the Budget is the general government sector. However, this budget paper also includes estimated financial statements for the public non-financial corporations (PNFC) and the non-financial public sector (NFPS). The statements provide a comprehensive picture of the State's fiscal position and strategy.

Where comparisons are made to previously published estimates, unless otherwise stated, the comparison is to the 2020-21 Half-Yearly Review.

For a list of definitions used in the Budget Papers, please see *How to Read the Budget Papers*.

Reporting of Actual and Budget data

The actual results for 2019-20 reflect the audited financial statements for the GGS as presented in the *Total State Sector Accounts 2019-20*.

The Estimated Financial Statements of the general government sector (2021-22 to 2024-25) in these budget papers are prepared on an accrual basis of accounting, in accordance with Australian Accounting Standards, the Uniform Presentation Framework and the principles and rules contained in the Australia Bureau of Statistics, *Australian System of Government Finance Statistics: Concepts, Sources and Methods 2015* (Cat. No. 5514) (ABS-GFS Manual).

Aggregated financial data is presented on an eliminated basis – that is, intra government transactions between entities are eliminated.

From 1 July 2020, the State applied the new accounting standard of AASB 1059 *Service Concession Arrangements* (AASB 1059).

Notes

- The budget year refers to 2021-22, while the forward estimates period refers to 2022-23, 2023-24 and 2024-25. Figures in tables, charts and text may have been rounded. Discrepancies between totals and the sum of components reflect rounding:
 - estimates under \$100,000 are rounded to the nearest thousand
 - estimates midway between rounding points are rounded up
 - percentages are based on the underlying unrounded values.
- For the budget result, parentheses indicate a deficit, while no sign indicates a surplus.
- One billion equals one thousand million.
- The following notations are used:
 - n.a. means data is not available
 - N/A means not applicable
 - no. means number
 - 0 means not zero, but rounded to zero
 - ... means zero
 - '000 means thousand
 - \$m means millions of dollars
 - \$b means billions of dollars.
- Differences between harmonised government finance statistics (GFS) and generally accepted accounting principles (GAAP) information, as shown in the budget papers, and pure GFS information, as reported by the Australian Bureau of Statistics, are known as convergence differences. Such differences are not departures from Accounting Standards but merely variations in measurement or treatments between GAAP and GFS frameworks.
- Unless otherwise indicated, the data source for tables and charts is NSW Treasury.